



State of Idaho
Legislative Services Office
Management Report

A communication to the Joint Finance-Appropriations Committee

DEPARTMENT OF PARKS AND RECREATION
FY 2006, 2007, and 2008

Report IC34008
Date Issued: January 19, 2010

Serving Idaho's Citizen Legislature



Don H. Berg, Manager
Audits Division

**Idaho Legislative Services Office
Legislative Audits Division**

**DEPARTMENT OF PARKS
AND RECREATION**

SUMMARY

PURPOSE OF MANAGEMENT REVIEW

We conducted a management review of the Department of Parks and Recreation covering the fiscal years ended June 30, 2006, 2007, and 2008. Our review covered general administrative procedures and accounting controls to determine that activities are properly recorded and reported.

The intent of this review was not to express an opinion, but to provide general assurance on internal controls and to raise the awareness of management and others of any conditions and control weaknesses that may exist and offer recommendations for improvement.

CONCLUSION

We did not identify any significant conditions or weaknesses in the general administrative and accounting controls of the Department.

FINDINGS AND RECOMMENDATIONS

There are no findings and recommendations in this report or in the prior report.

A copy of this report is available at <http://www.legislature.idaho.gov/audit> or by calling 208-334-4832.

AGENCY RESPONSE

The Department has reviewed the report and is in general agreement with its contents.

FINANCIAL INFORMATION

The following financial data is for informational purposes only.

DEPARTMENT OF PARKS AND RECREATION -- FISCAL YEAR 2008

Fund No.	Fund Name	Beginning Fund/ Appropriation Balance	Receipts/ Transfers In	Disbursements/ Transfers Out	Ending Fund/ Appropriation Balance
0001	General Fund	\$17,769,703	\$1,278	\$9,089,075	\$8,681,906
0125	Indirect Cost Recovery	563,338	155,815	280,358	438,795
0150-01	Budget Stabilization	8,047,882	0	2,781,701	5,266,181
0243	Parks & Recreation	1,971,892	3,934,645	4,241,432	1,665,105
0243-02	Parks & Recreation - Licensing Administration	1,055,445	663,460	633,915	1,084,990
0243-03	Parks & Recreation - Sawtooth Natl. Rec. Lic. Plate	9,183	50,879	38,165	21,897
0243-04	Parks & Recreation - Cutthroat Wildlife Lic. Plate	19,752	15,456	2,163	33,045
0247-01	Capital Improvements	1,170,456	1,465,466	1,181,983	1,453,939
0247-02	Waterways Improvements	1,145,220	1,430,588	1,263,416	1,312,392
0247-03	Off - Road Motor Vehicle	637,891	1,439,062	1,145,770	931,183
0247-04	Road and Bridge	870,568	748,770	457,128	1,162,210
0247-06	Recreational Fuels Admin	299,228	953,279	989,647	262,860
0250-01	State Vessel Fund	1	2,169,313	2,169,313	1
0250-02	Cross Country Skiing	133,509	137,482	118,483	152,508
0250-03	Snowmobile Fund	1,138,699	1,470,597	2,118,270	491,026
0250-04	Motorbike Fund	2,033,051	1,249,278	795,547	2,486,782
0250-05	Recreational Vehicle Fund	4,838,332	4,334,327	3,052,529	6,120,130
0266-01	Search and Rescue Fund	51	54,456	54,507	0
0348	Federal Grant Funds	87,658	4,779,294	4,242,412	624,540
0349	Misc Special Revenue	24,562	1,010,352	1,016,625	18,289
0410-01	Public Recreation Enterprise	709,882	1,165,996	921,058	954,820
0496-01	Park Donations	1,359,938	1,656,476	888,746	2,127,668
0496-02	Harriman State Park Trust	305,153	161,331	164,906	301,578
0496-03	Park Land Trust	2,047,909	460,823	283,723	2,225,009
0496-05	Trail of the Coeur d'Alene	127,142	29,548	88,561	68,129
	Total	<u>\$46,366,445</u>	<u>\$29,537,971</u>	<u>\$38,019,433</u>	<u>\$37,884,983</u>

General Fund ending balance comprises the following:

Encumbrances	\$3,401,371
Close Current Year Reappropriation	3,130,689
Reversion of Appropriation	2,148,568
Revenue Received in General Fund	<u>1,278</u>
	<u><u>\$8,681,906</u></u>

OTHER INFORMATION

We discussed other issues which, if changed, would improve internal control, compliance, and efficiency.

This report is intended solely for the information and use of the State of Idaho and the Department of Parks and Recreation and is not intended to be used by anyone other than these specified parties.

We appreciate the cooperation and assistance given to us by the director, Nancy Merrill, and her staff.

ASSIGNED STAFF

Chris Farnsworth, CPA, Managing Auditor

J.E. Bowden, CPA, In-Charge-Auditor

Brian Butkus, Staff Auditor

Eric Bjork, Staff Auditor

IC34008

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AGENCY RESPONSE



C. L. "Butch" Otter
governor

Nancy C. Merrill
director

David M. Ricks
deputy director

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**IDAHO PARK AND
RECREATION BOARD**
.....

Steve Klatt
region one

Randal F. Rice
region two

Ernest J. Lombard
region three

Latham Williams
region four

Jean S. McDevitt
region five

Douglas A. Hancey
region six

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MEMORANDUM

DATE: December 22, 2009

TO: Don Berg, Manager
Legislative Audit Division

FROM: Nancy Merrill, Director *m*
Idaho Parks and Recreation

SUBJECT: Idaho Parks and Recreation Audit Response

The Idaho Department of Parks and Recreation (IDPR) reviewed the Management Report for Fiscal Year 2006, 2007, and 2008 and we agree with the report.

I would like to thank you and your staff for the hours required to review our processes and controls. The staff was extremely professional and provided guidance on ways to improve some manual processes.

APPENDIX

HISTORY

On July 1, 1949, responsibility for the administration of State-owned recreational areas was placed under the Department of Public Lands, where it remained until July 1965. On July 1, 1965, administration of all State-owned recreation areas was transferred to the newly formed Idaho Department of Parks. In 1972, legislation was enacted changing the name to the Department of Parks and Recreation. In March 1973, the Department purchased 11 tracts of land from the Department of Public Lands for use as State parks. The State parks system has grown to include 31 park sites, encompassing over 60,000 acres.

The Department allows formation of non-profit associations at some of its park sites. These associations are local volunteer groups that contribute time, money, or goods for the benefit of a specific park. The non-profit associations may also conduct sales and solicit donations on park premises.

STATUTORY AUTHORITY

The statutory authority for the Department is found in Idaho Code, Chapter 42, Title 67. Idaho Code, Section 67-4219, prescribes the general intent (in part) of the legislature as follows:

It is the intent of the legislature that the Department of Parks and Recreation shall formulate and put into execution a long range, comprehensive plan and program for the acquisition, planning, protection, operation, maintenance, development and wise use of areas of scenic beauty, recreational utility, historic, archaeological or scientific interest, to the end that the health, happiness, recreational opportunities and wholesome enjoyment of life of the people may be further encouraged.

PURPOSE

The general purpose of the Department can be summarized by the following primary goals and objectives:

1. To meet the needs of visitors to the Idaho State Park system.
2. To conserve natural, geological, biological, cultural, and scenic features of the Idaho State Park system.
3. To provide assistance to cities, counties, State, and federal governments in meeting Idaho's outdoor recreation needs.
4. To guide the provision of outdoor recreation opportunities by developing and promoting a statewide comprehensive outdoor recreation plan.
5. To promote outdoor recreation as a means of building the health and vigor of Idaho's citizens.
6. To promote further understanding of the State's significant natural resources.

ORGANIZATION

The Department is administered by a bipartisan, six-member board, one from each of the six districts within the State. Members are appointed by the Governor to six-year terms, with one member's term expiring annually. The board appoints a director who is an ex-officio member of the board and is its secretary and administrative officer. The Department employs 159 permanent employees to aid in carrying out the directives and policies of the board. The Department also

has temporary employees who work as park aides during the park season from late May to early September. Duties and powers of the board are prescribed in Idaho Code, Title 67, Chapter 42.

Under Idaho Code, Section 67-4401, the Lava Hot Springs Foundation is part of the Department of Parks and Recreation. However, administratively the Foundation functions separately from the Department.

The Department is divided into two divisions (see organizational chart on last page):

1. The Operations Division maintains State park facilities, protects State park resources, interprets State park values, and promotes visitor safety. This division also provides support for outdoor recreation opportunities by coordinating State, local, and federal government efforts.
2. The Management Services Division includes the director, fiscal section, registration, information systems, personnel, purchasing, secretarial staff, visitors' centers, internal audits, grant administration, and project maintenance. The development program provides funding for acquiring land, as well as planning, designing, and constructing State park recreation facilities.

FUNDING

The Department is funded from various sources, including gasoline taxes, licenses and permits, camping and vehicle fees, registration fees, leases, federal funds, and several miscellaneous revenues. Additionally, the Department receives an annual General Fund appropriation.

Following is a description of each fund used by the Department.

FUND 0001 – GENERAL FUND

This fund pays personnel costs, operating expenses, and capital outlay for the general operation of the Department.

FUND 0125 – INDIRECT COST RECOVERY

This fund consists of money recovered from indirect costs charged to federal agencies for administrative costs of federal grants and programs.

FUND 0150 – BUDGET STABILIZATION ECONOMIC RESERVE

This fund is used to cover general fund shortfalls, one-time replacement equipment costs, and the "Experience Idaho" initiative. Revenues for the fund consist of transfers from the State Budget Stabilization Fund. (Idaho Code, Section 67-3520)

FUND 0243 – PARKS AND RECREATION

This fund pays for personnel, operating and capital outlay expenditures for the administration, and operation of the Department. Revenues are generated from day use fees, campground fees, leases, concessions, registration fees, and other miscellaneous sources. (Idaho Code, Section 67-4225)

FUND 0247 – RECREATIONAL FUELS FUND

This fund is used to pay for waterway improvements, repair and maintenance of park facilities, repair and maintenance of parking lots and bridges within parks, and other administrative costs of the Department. Revenues are derived from three percent of motor and aircraft fuels tax collections by the Idaho State Tax Commission. (Idaho Code, Section 63-2412)

FUND 0250-01 – STATE VESSEL

This fund pays for the State and county boating programs. Revenues come from the sale of State boat licenses. The State uses up to 15% for administration (deposited in Fund 0243), and distributes at least 85% to county vessel funds to pay for program development, boating facilities maintenance, and services. (Idaho Code, Section 67-7013)

FUND 0250-02 – CROSS-COUNTRY SKIING

This fund pays for development and maintenance of cross-country ski trails and parking facilities. Revenues are derived from winter recreation area parking permits and rental of yurts in the Idaho City Park N'Ski area. (Idaho Code, Section 67-7117)

FUND 0250-03 – SNOWMOBILE

This fund distributes money to counties to provide Department-approved services or facilities beneficial to snowmobilers, including trail grooming, plowing and maintaining snowmobile parking areas and facilities, and trail signing. Revenues are from snowmobile registration fees. (Idaho Code, Section 67-7106)

FUND 0250-04 – MOTORBIKE

This fund is used to purchase or lease land, maintain and develop trails and facilities, coordinate the trail ranger program, and educate users involved in off-road activities. The revenues come from fees charged for off-highway motorbike stickers. (Idaho Code, Section 67-7126)

FUND 0250-05 – RECREATIONAL VEHICLE

This fund pays for the administration of the State's Recreational Vehicle Program and provides grants for recreational vehicle projects. Revenue is derived from the annual license fees charged for recreational vehicle licensing. (Idaho Code, Section 49-448)

FUND 0266-0 – SNOWMOBILE SEARCH AND RESCUE

This fund receives \$1.00 from snowmobile registrations to defray costs associated with search and rescue operations conducted by county sheriffs. These funds are transferred to the Idaho State Police who oversee distributions to county sheriffs.

FUND 0348 – FEDERAL GRANTS

This fund receives money from federal sources and pays for specific projects as outlined in the grants. Primary revenue sources are the U.S. Department of Interior, National Park Service, and the U.S. Department of Transportation, Coast Guard Boat Safety.

FUND 0349 – MISCELLANEOUS SPECIAL REVENUE

This Fund is used to track memorandums of understanding with non-federal agencies.

FUND 0410-01 – PUBLIC RECREATION ENTERPRISE

This fund receives money from moorage fees, gasoline sales, and concession sales for the operation of Hells Gate and Spring Shores Marinas, Lakeview Village, Indian Creek Store, and other miscellaneous leases. Expenses for these operations are paid from this fund.

FUND 0496-01 – PARK DONATIONS

This fund receives donations from various sources. Revenues are used as designated by the donor or the Parks and Recreation Board. (Idaho Code, Section 67-4228)

FUND 0496-02 – HARRIMAN PARK

This fund receives money generated at Harriman State Park. These revenues pay all expenditures related to improvement and maintenance of the park. (Idaho Code, Section 67-4229B)

FUND 0496-03 – PARK LAND TRUST

The revenues in this fund are used to dispose of unsuitable park and recreation land and to acquire land to improve overall park and recreational opportunities of the State park system. Revenues are generated from various trusts held by the Department. (Idaho Code, Section 67-4244)

FUND 0496-05 – TRAIL OF THE COEUR D'ALENE

This fund is a trust set up with Union Pacific Railroad resources to support and maintain the rail to trail line from Plummer to Mullan. The revenues come from the settlement of a lawsuit with the U.S. Environmental Protection Agency and Union Pacific Railroad.

Idaho Department of Parks & Recreation
October 2009

